

FISCAL NOTE

SB 2381 - HB 3244

March 6, 1998

SUMMARY OF BILL: Defines *emergency medical condition* as a condition that manifests itself in such a way that a prudent layperson could reasonably expect the absence of immediate medical attention to potentially result in placing the person's health in serious jeopardy, causing serious impairment to bodily functions, or serious dysfunction of any bodily organ or part and mandates that health plans shall cover such emergencies.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Increase Expenditures - Exceeds \$100,000/ Health Industry¹

Assumes that TennCare MCOs will be required to cover emergency services as essentially defined by the bill. On February 20, 1998, an executive order was issued by the President stating that the Secretary of Health and Human Services shall notify all state Medicaid directors that emergency room care protections should be consistent with the Patient Bill of Rights. The Patient Bill of Rights states: *Health plans should provide payment when a consumer presents to an emergency department with acute symptoms of sufficient severity - including severe pain - such that a "prudent layperson" could reasonably expect the absence of medical attention to result in placing their health in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.*

This bill would not directly impact the state employee health care plan or most local government health care plans since federal law (ERISA) exempts self-insured plans.

Estimate assumes that the provisions of the bill will increase costs to some health care plans; however, the amount of such impact to the industry cannot be determined but is estimated to exceed \$100,000.

¹ The impact on the health industry is included as required by Chapter 244 of the Public Acts of 1989.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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